



# Indiana State Department of Health

## Small Employer Qualified Wellness Program Fact Sheet

### **Why are worksite wellness programs and healthy work environments important?**

Having a work place that is smoke-free and that promotes healthy foods and drinks and physical activity benefits employees and employers. A wellness program that is supported by a healthy work environment can help employers reduce obesity and tobacco use among employees, which in turn can help lower health care costs and absenteeism.

### **What is the Indiana Small Employer Qualified Wellness Program Tax Credit?**

It is an Indiana statute (IC 6-3.1-31.2) that provides a state tax credit of 50% of the costs incurred and directly related to implementing an employee wellness program by an Indiana small business.

### **What qualifies as an Indiana small business?**

As defined by the statute, a small business is actively engaged in business and has between 2 and 100 full time employees, the majority of whom work in Indiana.

### **What should a wellness program include to qualify for the tax credit?**

Qualified wellness programs must include three components: employee appropriate weight loss, smoking cessation, and the pursuit of preventative health care services. Each component must be addressed using an assessment, interventions and education, a rewards program, and a measurement tool. A worksite wellness provider that offers worksite wellness programming can assist with a program that meets the criteria for certification.

### **Where can I get an application for the tax credit?**

The application and other information and resources can be found by visiting [www.wellnesstaxcredit.in.gov](http://www.wellnesstaxcredit.in.gov). If you have specific questions, please call 317-233-1325.

### **What is the review process?**

Once an application is submitted via [www.wellnesstaxcredit.in.gov](http://www.wellnesstaxcredit.in.gov), it is reviewed for completeness. If an application is incomplete or does not provide sufficient information, an electronic request is sent to the applicant stating this fact. Only the most recent applications are submitted to the Advisory Board for review, regardless of completeness. Applications may be approved or deferred by the Advisory Board. Approved applicants will receive a certificate in the mail that will need to be submitted when they file their taxes for the corresponding tax year. Deferred applicants have until the annual deadline to resubmit their completed applications. Applicants will be electronically notified of their application status within 10-12 business days of the Advisory Board Review. The Advisory Board meets quarterly every year.

**How do I find out if my small business is eligible to receive the tax credit and how do I file for it?**

The Advisory Board determines if the *wellness program* can be qualified for the Small Employer Qualified Wellness Program Tax Credit. Once the wellness program is approved, the small employer will receive a certificate via the US Postal Service. This certificate should be submitted to an Indiana tax professional with the small employer's tax documents. Only an Indiana tax professional can determine if the *small business* is eligible to receive the tax credit, and file for it.

**How often do I have to apply for the tax credit?**

An application must be submitted electronically before October 1 of the tax year for which it should be received. Because this is an annual certification, applications must be submitted before the deadline every year to maintain certification.

**What if my small business receives a certificate for our wellness program and our wellness program changes before the tax year is over?**

If a wellness program is approved and a certificate has already been issued, the small employer must implement the wellness program that was approved. If the small employer wishes to change their wellness program and still receive the tax credit, they will need to re-apply for the certificate with information regarding the updated program.

**What do I do if I know of a small business that has received the Small Employer Qualified Wellness Program Tax Credit and is not implementing the program as stated in the application, or is not implementing a wellness program at all?**

If there is a concern that a small employer will not continue to implement OR is not implementing their wellness program as stated in their application, once the certificate is received or once they have received the tax credit, they should be reported for abuse of the tax credit.